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DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

(A-570-985)

Xanthan Gum from the People's Republic of China: Final Results of the Antidumping Duty Administrative Review and Final Determination of No Shipments; 2015-2016

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (Commerce) determines that Deosen Biochemical Ltd./Deosen Biochemical (Ordos) Ltd. (collectively, Deosen) made sales of xanthan gum from the People's Republic of China (China) at prices below normal value (NV) and that Neimenggu Fufeng Biotechnologies Co., Ltd./Shandong Fufeng Fermentation Co., Ltd./Xinjiang Fufeng Biotechnologies Co., Ltd. (collectively, Fufeng) did not. We continue to find that the four companies which were not selected for individual examination have demonstrated their eligibility for separate rates in the final results. These four companies are CP Kelco (Shandong) Biological Company Limited (CP Kelco Shandong, Jianlong Biotechnology Co., Ltd. (a.k.a. Inner Mongolia Jianlong Biochemical Co., Ltd.) (Jianlong), Meihua Group International Trading (Hong Kong) Limited/Xinjiang Meihua Amino Acid Co., Ltd./Langfang Meihua Bio-Technology Co., Ltd. (collectively, Meihua), and Shanghai Smart Chemicals Co., Ltd. (Shanghai Smart). We also continue to find that A.H.A. International Co., Ltd. (AHA) made no shipments of subject merchandise during the period of review (POR), i.e., July 1, 2015, through June 30, 2016.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Brian Smith or Michael Bowen, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue N.W., Washington, DC 20230; telephone: (202) 482-1766 and (202) 482-0768, respectively.

#### SUPPLEMENTARY INFORMATION:

##### Background

On August 7, 2017, Commerce published the *Preliminary Results*.<sup>1</sup> For events occurring subsequent to the *Preliminary Results*, see the Issues and Decision Memorandum.<sup>2</sup> Commerce conducted this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

Commerce exercised its discretion to toll all deadlines affected by the closure of the Federal Government from January 20 through 22, 2018. If the new deadline falls on a non-business day, in accordance with Commerce's practice, the deadline will become the next business day. The revised deadline for the final results of this review is now February 6, 2018.<sup>3</sup>

##### Scope of the Order<sup>4</sup>

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<sup>1</sup> See *Xanthan Gum from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2015-2016*, 82 FR 36746 (August 7, 2017) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

<sup>2</sup> See Memorandum, "Xanthan Gum from the People's Republic of China: Issues and Decision Memorandum for the Final Results of the Third Antidumping Duty Administrative Review," dated concurrently with this notice (Issues and Decision Memorandum).

<sup>3</sup> See Memorandum for The Record from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government" (Tolling Memorandum) dated January 23, 2018. All deadlines in this segment of the proceeding have been extended by 3 days.

<sup>4</sup> A full description of the scope of the order is contained in the Issues and Decision Memorandum.

The product covered by the order includes dry xanthan gum, whether or not coated or blended with other products. Xanthan gum is included in this order regardless of physical form, including, but not limited to, solutions, slurries, dry powders of any particle size, or unground fiber.

Merchandise covered by the scope of the order is classified in the Harmonized Tariff Schedule of the United States at subheading 3913.90.20. This tariff classification is provided for convenience and customs purposes; however, the written description of the scope is dispositive.

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs filed by interested parties are addressed in the Issues and Decision Memorandum, which is hereby adopted by this notice. A list of the issues that parties raised, and to which we responded in the Issues and Decision Memorandum, follows as an appendix to this notice. The Issues and Decision Memorandum is a public document, and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and is available to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <http://enforcement.trade.gov/frn/>. The paper copy and electronic copy of the Issues and Decision Memorandum are identical in content.

#### Changes Since the Preliminary Results

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, and for the reasons explained in the Issues and Decision Memorandum,

we made one change to our preliminary calculation of the weighed-average dumping margin for the mandatory respondent, Fufeng.<sup>5</sup>

#### Final Determination of No Shipments

In the *Preliminary Results*, Commerce determined that AHA had no shipments of subject merchandise during the POR.<sup>6</sup> As we have not received any information to contradict our preliminary finding, we determine that AHA had no shipments of subject merchandise during the POR, and we intend to issue appropriate instructions to U.S. Customs and Border Protection (CBP) that are consistent with our “automatic assessment” clarification for these final results of review.<sup>7, 8</sup>

#### Methodology

In the *Preliminary Results*, Commerce determined that two mandatory respondents, Deosen and Fufeng, and four other companies<sup>9</sup> not selected for individual review demonstrated their eligibility for separate rates. We continue to find that these six companies, listed in the table in the “Final Results” section of this notice, are eligible for separate rate status. We assigned the non-selected companies a weighted-average dumping margin of 9.30 percent – the rate calculated for Deosen in this review.<sup>10</sup> Fufeng has a weighted-average margin of zero; accordingly, no antidumping duty liability will apply to Fufeng for the POR. Additionally, the Department relied, in part, on facts otherwise available with an adverse inference pursuant to

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<sup>5</sup> See Issues and Decision Memorandum at Comment 6.

<sup>6</sup> See *Preliminary Results*, 82 FR at 36746.

<sup>7</sup> See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694, 65694-95 (October 24, 2011) (*Assessment Notice*); see also “Assessment Rates” section of this notice.

<sup>8</sup> For any shipment made by Deosen during the POR, which involved AHA, we intend to liquidate those entries at Deosen’s importer-specific assessment rate. See Issues and Decision Memorandum for further discussion.

<sup>9</sup> These four companies are: CP Kelco Shandong, Jianlong, Meihua, and Shanghai Smart.

<sup>10</sup> See *Stainless Steel Bar from India: Final Results of the Antidumping Duty Administrative Review*, 77 FR 39467 (July 3, 2012), and accompanying Issues and Decision Memorandum at 12.

sections 776(a) and (b) of the Act in determining Deosen's weighted-average dumping margin for the POR. *See* Issues and Decision Memorandum for further discussion.

#### Final Results of Review

We determine that the following weighted-average dumping margins exist for the period July 1, 2015, through June 30, 2016:

<b>Exporters</b>	<b>Weighted-Average Dumping Margin (Percent)</b>
Deosen Biochemical Ltd./Deosen Biochemical (Ordos) Ltd.	9.30
Neimenggu Fufeng Biotechnologies Co., Ltd. (aka Inner Mongolia Fufeng Biotechnologies Co., Ltd.)/Shandong Fufeng Fermentation Co., Ltd./Xinjiang Fufeng Biotechnologies Co., Ltd.	0.00
CP Kelco (Shandong) Biological Company Limited	9.30
Jianlong Biotechnology Co., Ltd. (aka Inner Mongolia Jianlong Biochemical Co., Ltd.)	9.30
Meihua Group International Trading (Hong Kong) Limited/ Langfang Meihua Bio-Technology Co., Ltd./Xinjiang Meihua Amino Acid Co., Ltd.	9.30
Shanghai Smart Chemicals Co., Ltd.	9.30

#### Assessment Rates

Pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b), Commerce determined, and CBP shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with these final results of review. We intend to issue appropriate assessment instructions directly to CBP 15 days after publication of these final results.

For Deosen, which has a weighted-average dumping margin above zero or *de minimis* (*i.e.*, less than 0.5 percent), we calculated importer- (or customer-) specific duty assessment rates based on the ratio of the total amount of dumping calculated for the importer's (or customer's)

examined sales to the total entered value of those sales, in accordance with 19 CFR 351.212(b)(1). For Fufeng, whose weighted-average dumping margin is zero, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the respondents which were not selected for individual examination in this administrative review and which qualified for a separate rate, the assessment rate is equal to the weighted-average dumping margin assigned to Deosen, or 9.30 percent.

Consistent with Commerce's assessment practice in non-market economy cases, for entries that were not reported in the U.S. sales databases submitted by Deosen or Fufeng, Commerce will instruct CBP to liquidate such entries at the China-wide rate.<sup>11</sup> Additionally, as noted above, Commerce determines that AHA had no shipments of the subject merchandise during the POR. As a result, any suspended entries of subject merchandise from AHA (which do not involve Deosen) will be liquidated at the China-wide rate.

#### Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) for the companies listed above that have a separate rate, the cash deposit rate will be that rate established in the final results of this review (except, if the rate is zero or *de minimis*, then the cash deposit rate will be zero required); (2) for previously investigated or reviewed Chinese and non-Chinese exporters that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing

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<sup>11</sup> For a full discussion of this practice, see *Assessment Notice*.

exporter-specific rate; (3) for all Chinese exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the rate for the China-wide entity, which is 154.07 percent; and (4) for all non-Chinese exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the Chinese exporter(s) that supplied that non-Chinese exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

This notice serves as the only reminder to importers of their responsibility, under 19 CFR 351.402(f)(2), to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

#### Notification Regarding Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i) of the Act and 19 CFR 351.221(b)(5).

Gary Taverman  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations,  
performing the non-exclusive functions and duties of the  
Assistant Secretary for Enforcement and Compliance

Dated: February 6, 2018

**Appendix**

**List of Topics Discussed in the Issues and Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Changes Since the Preliminary Results
- V. Discussion of the Issues
  - Comment 1: Separate Rate Status for Jianlong
  - Comment 2: Separate Rate Status for Meihua
  - Comment 3: Application of Partial Adverse Facts Available to Deosen
  - Comment 4: Rate Assignment for Meihua Based on Its Voluntary Respondent Status Request
  - Comment 5: Rate Assignment for Separate Rate Applicants
  - Comment 6: Clerical Error Regarding Fufeng's U.S. Packing Expenses
- VI. Recommendation